



**Construction Contract
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

AGENDA ITEM NO.: 19
AGENDA DATE: Thu 08/26/2004
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SUBJECT: Approve a resolution authorizing the use of the Competitive Sealed Proposal method for contracting for facility construction as permitted by Subchapter H of Chapter 271 of the Texas Local Government Code ("Senate Bill 510") for the following projects and finding that this method provides a better value with respect to that construction contracting expenditure than competitive bidding: Mexican American Cultural Center - Phase I; Gus Garcia Recreation Center; Colony Park Recreation Center; North Village Branch Library; and Twin Oaks Library.

AMOUNT & SOURCE OF FUNDING: N/A

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

REQUESTING Public Works
DEPARTMENT:

**DIRECTOR'S
AUTHORIZATION:** Sondra Creighton

FOR MORE INFORMATION CONTACT: Felix Benavides, 974-7027; Laura Bohl, 974-7064

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: Recommended by the MBE/WBE Council Subcommittee and the MBE/WBE Advisory Committee.

PURCHASING: N/A

MBE / WBE: N/A

The 77th Texas Legislature passed Senate Bill 510, effective September 1, 2001, which allows municipalities to exercise more solicitation options in securing a contract for the construction of a facility. In addition to the competitive bid process, new solicitation options include: Competitive Sealed Proposal, Construction Manager-at-Risk and Design/Build. To consider a construction contract using a method other than traditional competitive bidding, the governing body of the municipality must, before advertising, approve the alternative method selected.

Competitive Sealed Proposals is the alternative delivery method most closely related to competitive bidding. The principal difference is the opportunity for negotiation between the city and the proposer and the Request for Proposal (RFP) style response from the contractors. Instead of advertising and invitation for bids, the city advertises a RFP that includes construction documents, selection criteria and other required information. An evaluation committee reviews the submitted proposals and scores them in accordance with the evaluation criteria to determine the highest ranked proposer.



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Project	Estimated Construction Cost (in \$1,000s)	1st Advertisement Date (Estimated)	Current Phase	Project Descriptions
Mexican American Cultural Center – Phase I	\$8,000	9/20/2004	Design 82%	Construction of a plaza, multi-purpose building, office, gallery exhibition space and associated landscaping and parking.
Gus Garcia Recreation Ctr.	\$3,300	2/13/2006	Design 95%	Construction of a new recreation center in Gus Garcia Park.
Colony Park Recreation Ctr.	\$3,300	2/13/2006	Design 95%	Construction of a new recreation center in Colony Park.
North Village Branch Library	\$2,120	3/6/2006	Design 30%	Construction of a new branch library to replace the North Village leased library.
Twin Oaks Library	\$2,476	TBD	Preliminary	Construction of a new branch library to replace the Twin Oaks leased library.

RESOLUTION NO. 04

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

The Council authorizes the use of the Competitive Sealed Proposal Method for contracting for facility construction as permitted by Subchapter H of Chapter 271 of the Texas Local Government Code (“Senate Bill 510”) for the following projects and finding that this method provides a better value with respect to that construction contracting expenditure than competitive bidding: Mexican American Cultural Center – Phase I; Gus Garcia Recreation Center; Colony Park Recreation Center, North Village Branch Library; and Twin Oaks Library.

ADOPTED: _____, 2004

ATTEST: _____

Shirley A. Brown
City Clerk

Draft
**Definitions for conceptual model for determining awards under
SB510 for Vertical Construction**

QUALIFICATION QUESTIONS

City or Federal Debarment or Suspension

Description: Determination of whether the Respondent is currently suspended or debarred from City contracts by the Purchasing Office, or Federal contracts by the General Services Administration (GSA).

Submittal Requirements: Certification by Respondent that their company and its principals are not currently suspended or debarred from City or Federal contracts.

Scoring Methodology: Yes or No; if Yes, then Respondent would not be considered for award of contract.

Vendor Turned in all Required Documents

Description: Determination of whether the Respondent has submitted all documents required by the solicitation.

Submittal Requirements: Unique to each solicitation.

Scoring Methodology: Yes or No; if No, then Respondent may be disqualified.

Vendor Met or Exceeded Specifications & Requirements

Description: Determination of whether the Respondent has met or exceeded all technical specifications and requirements established in the solicitation.

Submittal Requirements: Unique to each solicitation.

Scoring Methodology: Yes or No; if No, then Respondent is disqualified.

M/WBE Goals Met or Good Faith Effort Made

Description: When applicable, determination of whether the Respondent has complied with the City's M/WBE Procurement Program (Chapter 5-7 of the City Code).

Submittal Requirements: M/WBE Compliance Plan.

Scoring Methodology: Yes, No or No Goals; if No, respondent would not be considered for award unless a waiver is granted under ordinance guidelines.

EVALUATION CRITERIA DESCRIPTIONS

Price/Proposed Cost

Description: Points awarded on the basis of the total proposed cost of goods and/or services.

Submittal Requirements: Cost Proposal form.

Scoring Methodology: The points allocated to this consideration item would be prorated in accordance with the following:

<u>Cost Proposal</u>	<u>Points</u>
Low Cost Proposal (LCP)	50
Up to 2% Higher Than LCP	46
> 2% to 4% Higher Than LCP	42
> 4% to 6% Higher Than LCP	38
> 6% to 8% Higher Than LCP	34
> 8% to 10% Higher Than LCP	30
> 10% Higher Than LCP	0

Special Notes:

- ◆ *Cost-related evaluation factors are not permitted in the initial RFQ for a Design-Build procurement, but can be included in a subsequent RFP to the short-listed Design-Build Respondents.*
- ◆ *The cost proposals received when a Construction Manager-At-Risk or Design-Builder is solicited may be limited to pricing of pre-construction/design phase services since the guaranteed maximum price or fixed contract amount for construction is most often established later. But, Respondents may also be asked to submit information on their construction costing methodology (e.g. their OH&P / Fee and an estimate for fulfilling general conditions).*

Team Comparable Project Experience

Description: Points awarded on the basis of the Respondent's and its team's previous experience, which could include evaluation of:

- Reputation of Respondent and Respondent's goods and services.
- Respondent's ability to estimate and control construction costs (not applicable to *General Contractors selected by Competitive Sealed Proposals since design phase services are not provided and construction cost is established at contract execution*).
- Experience of builder (normally Respondent, but could be subcontractor in a Design-Build solicitation) and its key personnel in constructing similar projects. A minimum number of similar projects successfully completed by builder within the last "x" years may be established. If Design-Build solicitation, experience of builder in performing under a design-build contract and/or working with the proposed design team.
- Safety record of builder.
- If Design-Build solicitation, experience of design team and its key personnel in designing similar projects, performing under a design-build contract, and/or working with the proposed builder. A min. number of similar projects successfully completed by the lead design firm within the last "x" years may be established.
- Experience of other major team members/subcontractors and their key personnel on projects of similar size, character and complexity.

Submittal Requirements: Information on the following:

- Circumstances related to the following, if applicable: Respondent's failure to complete any work it was awarded; any judgements, claims, arbitration proceedings or suits pending or outstanding against Respondent or its officers; or, Respondent filing any lawsuits or requesting arbitration with regard to construction contracts in the last "x" years.
- Respondent's experience with cost control methodologies such as: construction cost estimating, value engineering analysis, life cycle cost analysis, design constructability reviews, contingencies in a guaranteed maximum price contract, change order management systems, and cost reporting and tracking.
- Similar projects constructed by builder (normally Respondent, but could be subcontractor in Design-Build solicitation) in the last "x" years, with a focus on projects where personnel assigned to this project actively participated. Data would include project title, year completed, key personnel of builder that were assigned, and reference name, title, address, and phone number of principal person for whom prior projects were done.
- Builder's safety program, including safety record for the last "x" years; name, address and telephone number of primary insurance provider; and, builder's Experience Modifier.
- If Design-Build solicitation, similar projects accomplished by design team in the last "x" years, with a focus on projects where personnel assigned to this project actively participated. Data would include project title, year completed, key personnel of design team that were assigned, and reference name, title, address, and phone number of principal person for whom prior projects were done.
- Names, titles and qualifications, including resumes, of key professional personnel of Respondent and its team that would be assigned to the work, with identification of the primary work that would be assigned to each person.

Scoring Methodology: Any or all of the points allocated to this consideration item would be awarded on the basis of the Respondent's and its team's comparative experience.

Vendor's Past Relationship with the City

Description: Points awarded on the basis of the Respondent's ability to meet specific factors of vendor performance on previous City contracts, which may include:

- Timely completion of projects
- Cooperative working relationship with City
- Prompt payment of subcontractors/suppliers at all levels
- Compliance with other contract terms
- Compliance with City ordinances on substitution/addition/deletion of contractors/suppliers
- Provided contracting opportunities for small businesses and M/WBE's
- Compliance with environmental requirements
- Compliance with specifications

Submittal Requirements: Identification of City of Austin projects awarded to Respondent in the last "x" years, including names of City contacts and when projects were completed, along with information on Respondent's performance on previous City contacts.

Scoring Methodology: Any or all of the points allocated to this consideration item would be awarded on the basis of the Respondent's comparative past performance. Respondents who have not contracted with the City of Austin in the last "x" years will be awarded half of the available points.

Vendor Financial Viability / Stability

Description: Points awarded on the basis of the Respondent's financial viability and stability.

Submittal Requirements: Information on the following:

- Number of years the Respondent has been in business.
- Current, on-going contracts (number, dollar value and with whom).
- Current line of credit.
- If specifically required on contracts over \$5 million, a copy of the current Dunn & Bradstreet (D&B) report showing its financial rating for the Respondent.
- Letter from Respondent's surety affirming Respondent's ability to acquire bonding in the full amount of the contract.
- Financial statements with balance sheet, income statement and statement of cash flows.

Scoring Methodology: Any or all of the points allocated to this consideration item would be awarded on the basis of the Respondent's comparative financial status. The table below may be used for assigning points to the first item in the list above.

<u>Years in Business</u>	<u>Points</u>
0 to 0.5 years	0
0.6 to 2 years	1
2.01 to 3 years	2
3.01 to 4 years	3
4.01 to 5 years	4
5.01 years and over	5

Team Structure, Work Approach & Delivery Schedule

ORGANIZATIONAL STRUCTURE

Description: Points awarded on the basis of the Respondent's demonstrated understanding of the management, reporting, and administrative structures and methods required to successfully complete the work.

Submittal Requirements: Explanation and organization chart that specify project leadership and reporting responsibilities, including:

- Interface with City's personnel.
- Key professional personnel and their placement in the primary management structure.
- Identification of subcontractors, if any, that would provide project management and/or administrative support, and their roles and placement in the management structure.

Scoring Methodology: Any or all of the points allocated to this aspect of the consideration item would be awarded on the basis of the Respondent's comparative organizational structure.

WORK APPROACH

Description: Points awarded on the basis of the Respondent's demonstrated understanding of the techniques, methods, and sequencing required to successfully complete the work.

Submittal Requirements: Description of the Respondent's technical plan for accomplishing the work, which would include:

- Description of the work plan by tasks, proceeding from task 1 to the final tasks.
- Technical factors that would be considered and the depth to which each would be treated.
- On-going M/WBE outreach plan.
- Key professional personnel that would be assigned to each task and the percentage of time they would devote to the work.

Scoring Methodology: Any or all of the points allocated to this aspect of the consideration item would be awarded on the basis of the Respondent's comparative work plan.

DELIVERY SCHEDULE

Description: Points awarded on the basis of the Respondent's reasonably supported ability to meet or beat the specified construction schedule.

Submittal Requirements: Information on the following:

- Summary level schedule that indicates the Respondent's anticipated construction schedule for the work being contracted.
- Summary level schedule for each similar project identified under "Comparable Experience" that compares the Respondent's initial construction schedules with the final construction schedules; along with an explanation if the comparison reveals a disparity between the initial and final construction schedules.
- Availability of key professional personnel that would be assigned to this work.

Scoring Methodology: Any or all of the points allocated to this aspect of the consideration item would be awarded on the basis of the Respondent's comparative response.

Vendor Experience with Austin Issues

Description: Points awarded on the basis of the Respondent's experience with Austin issues as a company, as may be evidenced by existence of a staffed local office or work in the Austin area during the past "x" years.

Submittal Requirements: Description of experience in the following areas, with reference to projects or contracts relating to that experience:

- City of Austin site development and building permit requirements.
- Austin area construction in the public right-of-way.
- Austin environmental conditions, constraints and community issues.
- Austin area construction costs and practices.
- Austin area construction trades; availability and experience contracting with them.
- Public awareness and involvement in project development in the Austin area.
- Any other relevant information specifically listed in the solicitation

Scoring Methodology: Any or all of the points allocated to this consideration item would be awarded on the basis of the Respondent's comparative experience.

Previous City of Austin Work

Description: Points awarded on the basis of contracts previously awarded to the Respondent by the City of Austin.

Submittal Requirements: Information on the value of City of Austin projects awarded to the Respondent, including amendments, in the previous five (5) years.

Scoring Methodology: Points allocated to this consideration item would be awarded in accordance with the following:

<u>Previous COA Work</u>	<u>Points</u>
\$0 - \$10,000,000	5
\$10,000,001 - \$20,000,000	4
\$20,000,001 - \$30,000,000	3
\$30,000,001 - \$40,000,000	2
\$40,000,001 - \$50,000,000	1
Greater than \$50,000,000	0

Interview (Optional)

The City may determine that it is necessary to interview short-listed firms prior to making a recommendation to City Council.